

**KARACHI UNIVERSITY BUSINESS SCHOOL
UNIVERSITY OF KARACHI**

<u>BS (BBA) – IV</u>	
Course Title	: BUSINESS ETHICS & CORPORATE GOVERNANCE
Course Number	: BA(BS) – 412
Credit Hours	: 03

Objective

This course introduces contemporary and controversial ethical issues facing the business community. Topics include moral reasoning, moral dilemmas, law and morality, equity, justice and fairness, ethical standards, and moral development. Upon completion, students should be able to demonstrate an understanding of their moral responsibilities and obligations as members of the workforce and society.

Course Contents

- 1. An Overview of Business Ethics**
 - 1.1. Business Ethics Defined
 - 1.2. Why Study Business Ethics?
 - 1.3. The Development of Business Ethics
 - 1.4. The Benefits of Business Ethics

- 2. The Foundation of Ethical Thought**
 - 2.1. The Role of Morals
 - 2.2. The Foundation of Ethical Theory
 - 2.3. Teleological Frameworks
 - 2.4. Deontological Frameworks
 - 2.5. Seven Guiding Principles to Support Ethical Actions
 - 2.6. The Seven Deadly Sins
 - 2.7. The Trolley Problem
 - 2.8. Global Business Standards Codex

- 3. Emerging Business Ethics Issues**
 - 3.1. An Ethical Dilemma
 - 3.2. Recognizing a Ethical Issue
 - 3.3. The Role of Integrity, Honesty, Fairness
 - 3.4. Ethical Issues and Dilemmas in Business
 - 3.5. Challenges of Determining an Ethical Issue in Business
 - 3.6. Stakeholders and Corporate Social Responsibility
 - 3.7. What Is a Stakeholder?

3.8. Identifying Stakeholders

4. A Stakeholders Orientation

- 4.1. Social Responsibility and The Importance of a Stakeholder Orientation
- 4.2. Social Responsibility and Ethics
- 4.3. Implementing a Stakeholder Perspective

5. Ethics and Financial Reporting

- 5.1. Ethics and Financial Reporting
- 5.2. The Role of Creative Accounting
- 5.3. The History of Ponzi Schemes
- 5.4. The Role Of Insider Trading As An Ethical Issue
- 5.5. Ethical Philosophies and Accounting Issues
- 5.6. The Role of Financial Reporting
- 5.7. The Objectives of Financial Reporting
- 5.8. Where Were the Auditors?
- 5.9. Responsibilities of Management
- 5.10. The Use of Heuristics in Auditing
- 5.11. Responsibilities of Auditors
- 5.12. Responsibilities of Audit Committees
- 5.13. AICPA Code of Professional Conduct
- 5.14. Components of the Sarbanes-Oxley Act
- 5.15. Public Company Accounting Oversight Board
- 5.16. Section 404—Internal Controls
- 5.17. A Comprehensive Model of Top Management Fraud
- 5.18. Accounting Shenanigans or Tricks of the Trade

6. Ethical Leadership and Corporate Governance

- 6.1. Ethical Leadership
- 6.2. A Manager's Ability to Develop Trust, Commitment, and Effort
- 6.3. The Responsibility of Managers
- 6.4. The Transformation From Moral Person to Ethical Leader
- 6.5. Ethics and Corporate Governance
- 6.6. Board of Directors
- 6.7. The Role of the Board of Directors
- 6.8. A Contingent Perspective of Corporate Governance
- 6.9. Ethics and the Structure of the Board of Directors
- 6.10. The Benefits of a Strong Board of Directors
- 6.11. Corporate Governance and Stakeholders

7. Strategic Planning, Corporate Culture, and Corporate Compliance

- 7.1. Corporate Culture
- 7.2. Role of Corporate Culture in Ethical Decision Making
- 7.3. Ethical Framework and Evaluations of Corporate Culture
- 7.4. Ethics and Corporate Compliance
- 7.5. Leaders Influence Corporate Culture
- 7.6. Motivating Ethical Behavior

8. Decision Making and Human Resource Issues

- 8.1. Ethical Decision Making: Kohlberg's Six Stages of Moral Development
- 8.2. The Role of Emotion in Moral Decision Making
- 8.3. Rationalizing Unethical Behaviors
- 8.4. Ethical Decision Making and Moral Intensity
- 8.5. The Role of Power and Influence in Ethical Decisions
- 8.6. Human Resource Issues
- 8.7. The Role of Workplace Diversity
- 8.8. Ethical Climate and Organizational Misbehavior
- 8.9. Sexual Harassment and Sexual Discrimination
- 8.10. Office Bullying
- 8.11. Employee Monitoring
- 8.12. The Ethical Issues Related to Extreme Jobs

9. Ethics and the Environment

- 9.1. The Tragedy of the Commons
- 9.2. Natural Environment as a Stakeholder
- 9.3. Natural Environment as a Competitive Advantage
- 9.4. Voluntary Environmental Compliance
- 9.5. What Does It Mean to Be Green?
- 9.6. Employees as Environmental Stakeholders
- 9.7. NGOs as Environmental Stakeholders
- 9.8. Communicating the Firm's Environmental Commitment to Its Stakeholders
- 9.9. Environmental Accounting Issues
- 9.10. Environmental Justice
- 9.11. Environmental Sustainability
- 9.12. Ethics and Climate Change
- 9.13. Climate Change as a Strategic Option
- 9.14. The Effects of Climate Change on the Firm
- 9.15. A Firm's Carbon Footprint

10. Evaluating Corporate Ethics

- 10.1. Why Firms Need Ethics Training Programs
- 10.2. Establishing an Ethics Training Program
- 10.3. Establishing a Global Ethics Training Program
- 10.4. Benefits of an Ethics Training Program
- 10.5. Enforcement and the Ethics Training Program
- 10.6. Sending the Right Message to the Employees
- 10.7. Corporate Ethics Officers
- 10.8. Ethical Auditing
- 10.9. Components of the Ethical Audit
- 10.10. Hotlines

11. Marketing and Advertising

- 11.1. Alternative Views of the Foundation of Marketing and Advertising
- 11.2. Green Marketing
- 11.3. Ethical Consumer Behavior
- 11.4. Relationship Marketing and Privacy

- 11.5. The Role of Consumer Boycotts
- 11.6. The Ethical Challenges of Product Recalls
- 11.7. The Reasons for Recalls
- 11.8. The Steps of a Recall
- 11.9. Financial Costs of a Recall
- 11.10. The Ethics of Fair Pricing
- 11.11. Ethics of Purchasing and Sales
- 11.12. False and Misleading Advertising
- 11.13. The Eventual Truth in Advertising
- 11.14. Advertising to Children
- 11.15. The Sydney Principles
- 11.16. The Magic of Disney

12. Ethical Issues in the Developing World

- 12.1. The Bottom of the Pyramid
- 12.2. New Generation Business Strategies for the Bottom of the Pyramid
- 12.3. Social Entrepreneurship
- 12.4. Fair Trade
- 12.5. Human Rights
- 12.6. Poverty and Hunger
- 12.7. Food Versus Fuel

13. Establishing a Code of Ethics and Ethical Guidelines

- 13.1. Role of a Code of Ethics
- 13.2. Code of Ethics and Stakeholders
- 13.3. Benefits of a Code of Ethics
- 13.4. Content of a Code of Ethics
- 13.5. The Role of Total Responsibility Management and a Code of Ethics
- 13.6. Steps for an Effective Code of Ethics
- 13.7. Value of a Code of Ethics
- 13.8. How to Make a Code of Ethics More Effective
- 13.9. Examples of Codes of Ethics
- 13.10. Role of Government Regulations
- 13.11. Global Code of Ethics

Recommended Books:

1. Peter Stanwick, Sarah Stanwick. *Understanding Business Ethics*, 2nd Edition. Sage Publications, Thousand Oaks, California.
2. Ferrell, O. C, & Fraedrich, J. (2002). *Ethical Decision Making and Cases*. New York: Houghton Mifflin.
3. Steiner, G. A. and Steiner J. F. (2011). *Business, Government, and Society, A Managerial Perspective*. 13th Edition, McGraw-Hill/Irwin.